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OGC Has Reviewed

22 Boverber 1955

MEMORANDUM FOR: Director of Communications

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SUBJECT:

Reclaim of Rental Payments -

1. A recent memorandum from your Office to the General Counsel calls attention to the fact that charged for quarters between October 1953 and October 1954 while stationed at man. It was stated that this charge was in contravention of a clause in his employment agreement

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which implied that quarters would be furnished free of charge. 2. The Administrative Staff of the Office of Communications

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has informed us that Mr. was appointed a Staff Agent on 18 October 1952 and was reappointed as a Staff Implayee on 30 August 1953. This change in status would appear to have been the same change that was made in the case of all other Staff Agents at when the Base went under official cover in 1953. Hr. was at no time, while stationed at the , a Contract Employee or a Contract Agent. A document 25X1A9a referred to in the first paragraph of your memorandum is actually a memorandum of understanding, rather than an employment contract. The purpose of this memorandum of understanding was to explain the rights, benefits and obligations of Staff Agents to such personnel who were recruited from outside the Agency and Went directly to the overseas base. Since Mr. . enjoyed Staff status, there is no way in which the memorandum can be construed as an employment contract. The rights, benefits and obligations of Staff Employees and Staff Agents are governed by pertinent

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contractual agreement not in compliance with such laws and regulations.

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was recruited and the memorandum of 3. At the time understanding signed, was being treated as a foreign area and personnel assigned to the Base were given the benefits of those laws and regulations applicable to personnel stationed in foreign areas. It was subsequently roalized that was a trust territory, must be treated as a permitory or possession of

laws and Agency regulations and normally cannot be varied by a

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the United States and that, consequently, personnel stationed there were not entitled to benefits granted only to those stationed in foreign areas. One of these benefits was free quarters in lieu of a quarters allowance. Consequently, a cut-off date was established, after which personnel on the began paying rental for their quarters. Mr. The like all other Staff personnel assigned to this date forward.

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is not entitled to repayment of rental for quarters after the cut-off date established by the Agency.

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Office of General Counsel

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OGC: Distribution:

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1 - Subject

1 - Signer

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